

## CONCEPT IDEA NOTE FOR CLIMATE RELATED ACTIVITIES THAT MAY BE FUNDABLE BY THE GREEN CLIMATE FUND AND OTHER FINANCIAL SOURCES

This Concept Idea Note is based upon the GCF Concept Note. It is designed to prepare any Concepts or Project Ideas with GCF financing in mind, however, can also be applicable to other financial institutions. Once the Concept Idea Note is completed please send to the CCCI office (as the GCF National Focal Point), where an assessment will be undertaken as to whether the Concept could be eligible for funding under the GCF or other financial source, or both. CCCI will then communicate the result of the assessment back to the proponent, and outline what will next happen to the Concept Idea Note, such as require more information to make a clearer assessment, the submitted Concept is GCF eligible for funding and the next steps, or a determination that outlines the Concept is not eligible for GCF funding but may get funding from another source.

**Title of Concept OR Project Idea:**

**Enhancing Action on Climate Change through Green Jobs Creation for a Just Transition.**

**Date of Submission:** preliminary CN (31 Oct 2018) – final CN (7 Nov 2018 after ILO workshop)

**Submitted by and Contact**

**Ministry of Internal Affairs**

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<p><b>Indicate the areas for the Concept, which is based upon the CKI Country Program thematic areas</b></p>	<p><u>Mitigation:</u> Reduced emissions from:</p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Energy access and power generation</li> <li><input type="checkbox"/> Low emission transport</li> <li><input type="checkbox"/> Buildings, cities and industries and appliances</li> <li><input type="checkbox"/> Forestry and land use</li> </ul> <p><u>Adaptation:</u> Increased resilience of:</p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Most vulnerable people and communities</li> <li><input checked="" type="checkbox"/> Health and well-being, and food and water security</li> <li><input checked="" type="checkbox"/> Infrastructure and built environment</li> <li><input checked="" type="checkbox"/> Ecosystem and ecosystem services</li> </ul>
<p><b>Indicative total project cost</b></p>	<p>Amount: NZD __TBD__</p>

**Project/Programme rationale, objectives and approach of programme/project (max 100 words)**

Brief summary of the problem statement and climate rationale, objective and selected implementation approach, including the executing entity (ies) and other implementing partners.

**Background:**

The Ministry of Internal Affairs (INTAFF), together with the support of the International Labour Organization (ILO), aim to create and launch the first ever national program on the creation of Green Jobs for a Just transition, which will in effect enhance and support other national actions on Climate Change.

In order to transform our energy systems, buildings, industry, transportation and agriculture towards low-carbon and climate-resilient pathways, a capable workforce with the right skills is necessary. Without the massive scaling up of the number of solar technicians, energy auditors, reskilling of workers in agriculture, industry and construction, the current and growing skills shortages could hamper the rapid deployment of new technologies to mitigate and adapt to climate change. Similarly, enterprises need to spearhead innovation that delivers greener products and services, improve business processes towards greater energy and material efficiency, and scale-up investments. In addition to enabling national climate change action, rapid entrepreneurship development in areas of mitigation and adaptation will generate employment co-benefits and contribute to poverty-reduction. The Paris Agreement highlights as part of global action on climate change, “the imperatives of a just transition of the workforce and the creation of decent work and quality jobs in accordance with nationally defined development priorities.”

Working closely in partnership with ILO is essential as it holds a unique position to contribute to the goals of the Green Climate Fund (GCF) and to support global action on climate change by leveraging its expertise in a range of areas of relevance to mitigation and adaptation and its distinctive feature as the one and only tripartite organization of the United Nations.

The proposed project on the Creation of Green Jobs for a Just Transition aims for a holistic approach as Climate change has too long been considered solely from an environmental perspective. In fact, it is also a very significant economic and social problem, and our most vulnerable communities are the ones who are unable to adapt to climate change and its effects. Focus on the workplace is essential as it is the one place where social, economic and environmental dimensions come together inseparably.

**Project Description**

**Objective: Recycling Organic Waste into Green Energy**

Context: Cook Islands is striving through the rapid development of its tourism industry. We welcome over 70k of tourists yearly with this number steadily increasing each passing year. Yet, there is no substantial efforts to counter manage the effects of such a heavy burden on our environment and public infrastructure, especially in terms of waste management. Whilst some existing efforts are being made to address the issue of our overflowing landfill, there is no project up to date yet addressing our sewage system? Noting that an increasing number of tourists are now choosing private accommodations through the air bnb boom rather than resorts options, which stresses further the concern around sewage collection, storage and management.

The idea of recycling organic waste into green clean energy represents therefore a potentially innovative approach to make our tourism sustainable and give back to our resident population and environment.

From a climate change perspective (mitigation): the most important feature of our environment is our Coral reefs, which are already suffering from the effects of climate change. Coral reefs are in effect our first line of defense in case of climatic disasters, and our lagoons represent a major sustainable food reserve for our community. At present, the lagoon around Rarotonga is already polluted by ciguatera, which in turn affects our local sea food supply. The lagoon in the Muri area, hotspot for our tourism, has also displayed signs of extreme stress, as it is repeatedly being covered by algae. The finger is often pointed to bio waste that is leaking into the lagoon's ecosystem, both from households, resorts, and the Scotts chicken farms. Whilst there are legal requirements for farmers to keep pig sties away from local streams, this is not monitored nor enforced.

The same observation can be made for the sister island of Aitutaki, another major hotspot for our tourism. There again, the lagoon is already demonstrating high stress levels with coral bleaching, extinction of local marine fauna and flora and the increasing number of tourists to this small island requires some urgent planning of how their organic waste will be managed.

By recycling organic waste, protection of our coral reefs and lagoon will be strengthened immediately. By calculating the number of animals and the number of tourists incoming, added to the number of residents, it is possible to calculate the amount of CO2 emissions. By recycling our organic waste, we contribute directly to the reduction of our CO2 emissions.

From a community resilience perspective (adaptation): A whole community approach can be taken in the set up and roll out of this particular project. Since it is an unexplored area, the collection, management, recycling of organic waste and its subsequent redistribution as a form of clean energy, holds considerable potential for new forms of employment and new skills development for our youth. It has the potential to also create new business ventures by involving the participation of private sector and civil society with a special focus on vulnerable groups like persons with disabilities or women in entrepreneurship programs.

The project can be implemented at various levels of complexities on Rarotonga, Aitutaki and potentially other Outer Islands.

The tourism industry can be involved by having some key tourism operators pilot the project and making their resorts 100% clean energy. This initiative can be turned into an important marketing factor and contribute to making our tourism eco-friendly and sustainable. We can truly maximize on our increasing numbers of tourists.

This new form of clean energy, coupled with our efforts to implement solar power systems, will strengthen our capacity as a nation to become 100% clean energy within the SDG timeline of \*2030.

The availability of clean energy for use would be a leap forward for our country in its current state of development. By creating and distributing our own reserves of clean energy, we could develop our infrastructure and transports priorities in a cleaner, greener way and contribute to our resilience to climate change effects.

One example: the increasing usage of air conditioning as the temperature keeps getting higher. Refer to the IPCC 5<sup>th</sup> Assessment report (Woodward, 2014). Heat stress is a major risk coming up in the future as a result of temperature rising. To be able to have air conditioning in schools, hospital, offices and of course homes, that work with clean energy would directly impact on the wellbeing of the community, in work places, increase productivity, in schools, allow students to focus better.

Clean energy supply could also contribute to the effort of our nation in turning to eco-friendly transportation. We could look into having a public transport system working with clean energy for example.

The list can go on (more and more pools on the island for example) and a proper cost benefit analysis would need to be done at the project level development.

The Cook Islands would be the first pacific island nation to run such a project at the national level.

As described below, this project is part of a holistic approach in launching a Just transition program in the Cook Islands. Substantial preparation is needed, both at the administrative and community levels, and the first priority lies with data collection that would inform us on the feasibility and sustainability of such a project, and to what extent it can be carried out.

The different outputs described below would help inscribe the project in the bigger vision of the Ministry in entering the new age of Green Decent Jobs.

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### **Context and baseline (max. 2 pages)**

*Describe the climate vulnerabilities and impacts, GHG emissions profile, and mitigation and adaptation needs that the prospective intervention is envisaged to address.*

The Cook Islands is entering into a new phase of la nina. Therefore, we are expecting higher levels of rain, which could in turn affect our solar power energy management and reserves. This point can be researched further at the project development level.

The Cook Islands is targeting for higher number of tourists and therefore organic waste is a factor to consider and mitigate.

The existing state of our coral reefs and lagoons is calling for urgent action and by implementing such a project, we can tackle the problem at a different angle.

*Please indicate how the project fits in with the country's national priorities and its full ownership of the concept. Is the project/programme directly contributing to the country's INDC/NDC or national climate strategies or other plans such as NAMAs, NAPs or equivalent? If so, please describe which priorities identified in these documents the proposed project is aiming to address and/or improve.*

The proposed project would align with the Cook Islands priority programmatic areas as defined under our climate change policy:

1. Renewable Energy Development (including clean energy transportation) – *the project here aims at the creation of a new form of renewable energy that could be used in many areas of development.*
2. Coastal Protection and Restoration- *the project would contribute directly to coastal protection and restoration by redirecting organic waste towards a recycling facility for transformation into a clean energy rather than in our lagoon and onto our coral reefs.*
3. Water Security
4. Disaster Risk Management
5. Waste Management- *addressing the issue of organic waste directly and effectively.*
6. Climate Proofing Infrastructure
7. Integrated Flood Management
8. Agriculture and Ecosystem Based Adaptation – *training and capacity building of Youth, with a special focus on gender and people with disability. Protection of our ecosystem.*
9. Ocean Management
10. Livelihoods of People and Communities- *Creation of new jobs, decent green jobs, for our Youth and with a special focus on Womens empowerment - market access (gender). Potential to create new businesses and services at all the different stages of the project.*
11. Knowledge, Research and Innovation: *a creative and innovative approach to this new form of renewable energy.*

*Describe the main root causes and barriers (social, gender, fiscal, regulatory, technological, financial, ecological, institutional, etc.) that need to be addressed.*

Principal barrier would be the awareness raising on organic waste and how it can be recycled to offer a new form of renewable energy. Encourage people to use such energy.

Another potential barrier could be the technological barrier into implementing the project but this could be addressed through effective support of TAs.

*Where relevant, and particularly for private sector project/programme, please describe the key characteristics and dynamics of the sector or market in which the project/programme will operate.*

Green Decent Jobs are central to sustainable development and resource productivity, by creating economic opportunities, enhance resource efficiency and build low-carbon, sustainable societies. The first ever Cook Islands National Program on the Creation of Green Jobs for a Just Transition will outline a number of achievable, realistic and result-oriented actions to improve health, ecosystem vitality, climate change and resilience to weather disasters, through green decent job creation and contribute effectively to the transition towards a green and innovative economy.

Based on the most recent official statistics for the Cook Islands (2011), the labour force participation rate was 71% and the employment-to-population ratio was 55.2%, with men topping by 10 percentage points to women. Total unemployment was 8.2% and youth unemployment was 15.5% with gender parity. Employment is heavily reliant on services (84%). Until the latest data from Census 2016 is released, this % of the labour force can be considered as the main beneficiaries to the project, with a special focus on gender.

According to a 2010 Report from Central Policy and Planning Office, the Cook Islands is extremely vulnerable to the effects of climate change, such as extreme rainfall, drought, sea level rising, strong winds, extreme high air temperatures and increased frequency and intensity of tropical cyclones.

Because of lack of data, there is no renewable energy sector employment data available. As per an ILO analysis (ILO Country Fact sheet), improvement in utilities can potentially provide benefits on three fronts: community health, environmental health, and the economic development with increased employment opportunities. With the push for increasing reliance on renewable energy, there will be greater potential for decent job opportunities in the future. By developing preventive measure to limit infrastructure and property damage and increase institutional capacity, both in the private and public sphere to respond effectively to climate events, is a potential source of decent green job creation while building resilience, especially for the most vulnerable of our society.

#### Project Outline and Description

The proposed project has three major outputs with detailed actions under each output.

#### OUTPUT 1: Mitigation and adaptation of climate change through skills building and upgrading, training, education and entrepreneurship development.

Promotion of green entrepreneurship by providing skills for entrepreneurs and access to finance, including targeted training for youth and women. Emphasis on capacity building, training, education and skills development concerning energy efficiency, renewable energy, infrastructure and agriculture are increasingly in demand in the labour market and relevant to climate mitigation and adaptation (in country). Focus on youth and women employment. Creation and support of well-managed labour mobility pathways that provide an important source of remittances, knowledge, skills and investment in climate vulnerable regions (out of country).

#### Actions:

- 1) Implementation of a recycling centre for organic waste and establishing the whole process from collection, recycling and redistribution.
- 2) Institutionalizing a training curriculum at the Cook Islands Tertiary Institute on green job skills (focusing on this new form of renewable energy)
- 3) Set up of a start-up funding kit for emerging Small and Medium enterprises interested in entering and developing this new form of renewable energy.

#### OUTPUT 2: Adaption to climate change through social protection, resilience, public employment programs.

Both natural and slow-onset impacts of climate change create risks that need to be managed through proactive planning and research on potential destination areas than can provide decent work avenues, at the individual or community level. Green works include a range of different infrastructure and environmental activities such as flood control and draining in both rural and urban areas to deal with more and more intense rainfall (refer to recent flooding in Rarotonga), increased water volumes and increased flooding (risk and frequency). Climate change impacts and will continue to impact the most vulnerable members of our community. The ongoing review of our Workers compensation would need to be further expanded on to include floors of minimum level of social protection. The ILO's Just transition Guidelines provide that Government should promote and establish adequate social protection systems providing healthcare, income security and social services, with a view to increase resilience and safeguarding populations against the impacts of economic and environmental vulnerabilities.

Actions :

- 1) Developing a Green Jobs Program for Cook Islands
- 2) Research and Analysis on how to incorporate the ILO Just Transition Guidelines to our national priorities
- 3) Social Protection minimum coverage (welfare division of INTAFF)

### OUTPUT 3: Tripartism and social dialogue to foster consensus building

Social dialogue, including the practice of tripartism and collective bargaining, is instrumental for effective decision-making in the area of climate change. Environmental and sustainable developments related policies- when discussed and implemented with the participation and agreement of social partners, the government and civil society actors- are better informed, easier to implement and more beneficial for workers, businesses, and a larger proportion of the society.

Actions:

- 1) Training and capacity building for the Tripartite
- 2) Greener Business project for young entrepreneurs of the Outer Islands by helping them set up a replica of this project in their Outer Island home.

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### **Engagement among the NDA, AE, and/or other relevant stakeholders in the country (max ½ page)**

*Please describe how engagement among the NDA, AE and/or other relevant stakeholders in the country has taken place and what further engagement will be undertaken as the concept is developed into a funding proposal.*

INTAFF has been engaged with both the OPM and MFEM in trying to establish a link between employment, social welfare and climate change.

INTAFF also works very closely with ILO on a number of other projects and the ongoing collaboration will continue to strengthen if given the opportunity to work together in this new area.

INTAFF has a tripartite process which enshrines the participation and consultation with social partners (employer and worker representatives).

Other agencies involved would be: Cook Islands Tourism Corporation, ICI \*waste management, National Environment Services.

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### **Sustainability and replicability of the project (exit strategy) (max. 1 page)**

*Please explain how the project/programme sustainability will be ensured in the long run and how this will be monitored, after the project/programme is implemented with support from the GCF and other sources.*

*For non-grant instruments, explain how the capital invested will be repaid and over what duration of time.*

If the project is implemented with a focus on youth and the involvement of private sector at different phases, it would create a national ownership over the project. Because it is also aimed to generate a form of income for the entities involved, the project would become self-sustainable once it is properly set up.

The idea that such a project could be replicated in the Outer Islands is highly possible.

At the project development phase, experts could assist INTAFF on defining the exit process.

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**Assessed By and Date:**

**Recommendation:**